



The sham that is the diamond market

Dear Mr. Berko: Nearly 10 years ago, I bought a diamond ring for my wife and paid \$6,600 for a beautiful, clear and bright 2.1-carat stone. A jeweler once gave us a written appraisal for \$8,200. Recently, we decided to sell her ring to raise cash because our out-of-pocket health insurance costs were bankrupting us. I'd been out of a job for nearly two years. The jeweler where we bought the ring is out of business, so we took it to another jeweler, who offered us \$1,450. Needless to say, we were shocked, and when my wife got home, she became physically sick. However, the good news is that the following day, the company that had laid me off two years previously asked me to return to work. I'm doing the same work at nearly the same pay, and I have to work only 30 hours a week. So we don't need to sell the ring now, but do you think we will ever be able to get back what we paid for it? — GJ, Cleveland

Dear GJ: I'm glad you found work. However, do you know that your new part-time position allows your employer to hire you without health insurance? You may have to sell that ring.

The most awesome thing about a clear, bright and beautiful 2.1-carat diamond is that there's a silly fool who is willing to spend \$6,600 to buy it. But unless you can find a wealthy Swiss admiral, I doubt you'll get your \$6,600 back. Diamonds are not precious stones; rather, the diamond market is a staged farce. The legendary De Beers cartel — which runs the diamond mines in South Africa, Namibia and Botswana — produces 80 percent of the world's diamonds. And it does its damndest to control the remaining 20 percent by very aggressively purchasing diamonds from other mines around the world. Because of an enormous inventory (De Beers owns millions of stockpiled stones), De Beers is able to maintain high prices and perpetuate the myth that the supply is scarce. De Beers' brutish control of the market recently encouraged a U.S. court to demand that it refund millions of dollars to U.S. diamond buyers.

Jewelers advertise diamond rings, earrings, bracelets and necklaces in most newspapers. Have you ever wondered how jewelers can advertise a 1.75-carat diamond ring at a 50 percent discount from the list price and a pair of earrings for \$2,500 that were recently priced at \$4,000 and still make a bundle? Well, that diamond ring at 50 percent off

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"Our Business is Ohio"

Thursday, August 1, 2013



In addition to Lions Community Park, Brimfield's Township Center Park is just over two acres, and includes the historic gazebo, which was reconstructed with the roof from the original town hall. Located at the corner of State Route 43 and Tallmadge Road, it has horseshoe pits and picnic tables. (Courtesy of Brimfield Township.)

Brimfield Twp. experiences major residential growth

SHERRY KARABIN
Legal News Reporter

Brimfield Township Police Chief David Oliver has put the community in the spotlight by making headlines for his outspoken comments about suspects on the department's Facebook page, which has earned over 80,000 'Likes' since it launched in 2010. But what fans might not know is this Portage County township has undergone quite a transformation in recent years, leading to a major influx of residents and construction of new housing developments.

"According to a recent study, Brimfield is the fastest growing township in Portage and Summit counties in terms of percentage," said Dick Messner, administrator of zoning and development.

Located in the southwest quadrant of the county, the U.S. Census shows that from 2000 to 2010, the population in Brimfield rose from 7,963 to 10,350 people.

Messner said the growth was the result of a three-year planning study considering land use, infrastructure and information gathered through numerous studies from the residents and elected officials.

"Approximately 25 years ago, the cities of Kent and Tallmadge began annexing township land, which resulted in numerous legal fees for all parties," said Messner. "With the election of new officials and administration in the township and cities negotiations were entered into for the creation of two joint economic

development districts (JEDDs)."

In November 2003, Brimfield entered into a JEDD agreement with Tallmadge. Shortly after, Kent followed suit, putting a stop to the loss of land, and setting up a revenue-sharing system in which the township receives 45 percent of the income tax generated in the JEDDs. In both cases, Messner said the parties contribute 5 percent of the revenue toward infrastructure improvements. He said Brimfield officials use the rest to fund the police, fire and road departments, with 10 percent going to the general fund.

The Tallmadge JEDD primarily includes the areas south of Interstate 76, along with the north side of the Route 18/Route 43 interchange as well as north of 76, west of Mogadore Road and south of Howe Road in the township. The Cascades of Brimfield shopping center is part of the JEDD. It contains stores like Kohl's, Marshalls, Lowe's, a Walmart Super Center, Dollar Tree and Best Cuts.

The Kent JEDD is located on the north side of Brimfield Township and goes down State Route 43.

"The Tallmadge JEDD is the most profitable of the two, but our Kent JEDD is also starting to grow," said Fiscal Officer John Dalziel. "A Petco recently opened in the Cascades shopping center in the Tallmadge JEDD."

Established in 1818, Brimfield Township is easily accessible off I-76 or State Route 43, and State Route 261 is just north of the

community, which officials said is one reason businesses choose to locate there.

The largest employer is Hess Print Solutions on Sunnybrook Road and Carter Industries has its headquarters in Brimfield on Tallmadge Road. In January, Newell Rubbermaid began operations at its new 800,000-square-foot facility in Brimfield's Commerce Industrial Park.

"It is the largest building to open in Portage County in terms of its square footage," said Messner. He said there are also a number of smaller businesses located along Karg Industrial Parkway.

In addition, there are six hotels/motels at the intersection of 43 and 76.

Dalziel said the hotels generate bed tax, which along with income and property taxes and Local Government Funds, make up the bulk of the township's revenue. He said in April 2009 the police department added an impound lot, which pays for vehicles, ammunition, bullets and other equipment.

"We also receive money from emergency medical services billing, which is done by our fire department when someone requires an ambulance," said Dalziel.

The various revenue sources did not shield the township from the effects of the economic downturn entirely. Dalziel said in 2008, administrative staff in the zoning, fiscal offices and parks department were put on furlough for one day a week to help the township make ends

meet.

"We never cut our police or fire departments, and since the end of 2009 we are back to regular hours. We have even added one public works person to keep up with things due to the increase in population," said Dalziel.

Although there were foreclosures, he said the township has not received any Moving Ohio Forward money to demolish properties. "Most of our homes have been bought. We do not really have any eyesores," Dalziel said.

"We have 10 active housing developments currently under construction," he said. "We also have commercial and industrial areas available for development."

Messner said another key to the residential growth was the revamping of Brimfield's zoning regulations.

"In the late '90s we began experiencing a lot of growth and it became clear that our zoning had a need to be completely re-done," said Messner. "Working with the trustees and the zoning commission, a moratorium on development was put in place in our residential district, while we developed a new land use plan."

The new plan took effect in 2004, replacing the four zoning districts with 14, including six residential districts. "Our commercial area is generally around State Route 43, and our industrial districts are mainly on the western side of the township. Seven of our planned residential housing subdivisions are in the northeastern quadrant, where

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there is sewer and water. With the exception of this area, over 50 percent of Brimfield is wells and septic tanks.

"The new code requires that all new subdivisions have paved roads, curbs, gutters and sewer and water," said Messner. "The present land use plan should allow us to grow to about 12,500, with minor adjustments."

Trustee Chairman Mike Kostensky said a major focus of the township is adding green space.

"Three or four years ago we started a parks and recreation program that includes volleyball leagues and a junior golf league," said Kostensky. "Our problem right now is that we need more space."

The 25-acre Lions Community Park at Edison Road is the most developed one in the township. It features baseball and soccer fields, a sand volleyball court with lighting, two children's playground areas, and a basketball court. There are also picnic tables and grills, and a shelter can be reserved for private events.

In addition, the Township Center Park is just over two acres, and includes the historic gazebo, which was reconstructed with the roof from the original town hall. Located at the corner of State Route 43 and Tallmadge Road, it has horse-shoe pits and picnic tables.

"We just purchased a 17-acre parcel to add to Lions Park," said Kostensky.

He said the trustees in both Brimfield and Suffield Townships are talking to officials at the Portage Park District about extending the Portage Hike and Bike Trail into their communities. The first phase would create a trail to the Mogadore Reservoir; the second would extend it to the Wingfoot Lake Recreational Area.

It's not the first time the two communities have collaborated on a project. After the Sandy Hook Elementary School shootings in Newtown, Connecticut in December 2012, the trustees and the Field Board of Education joined forces with the Brimfield Police Department to hire a second full-time, armed school resource officer to patrol the campuses in both Brimfield and Suffield. Other safety measures have been implemented as well such as putting surveillance cameras and intercoms at the entrances to all schools. In addition, lockdown drills are held and panic buttons that are wired directly to a police dispatch center are in the works. Officials are also looking at the cost of bulletproof doors for all classrooms.

In 2012 the township built a new and larger police department at Tallmadge Road.

"Our police are very involved in the community," said Dalziel. "Our 'Shop With a Cop Program,' helps children from low-income families purchase Christmas gifts for themselves and their families. Next year, they are starting a back to school program to help with school supplies and clothing for the needy."

"We are also talking about building a new fire station and turning the old one and the town hall into a recreation center. We would like to put a senior center in the park," said Kostensky.

"All of our technology in our safety forces departments has been upgraded," said Dalziel. "Community involvement and awareness in our township has increased dramatically in the last 10 years. Our local government has become very transparent, as is evident by our police chief's Facebook page. I think this is a very positive thing."

Officials said more changes are in the works. Neighborhood Development Services has proposed building a 60-unit senior apartment complex at the northwest corner of Kelso and Pem-

broke drives in the Town Center District, across from the Alter-care Post-Acute Rehabilitation Center.

"The apartments will have a lot of unique features like soft-cushioned floors, a meeting room, computer center, library and an office for a medical person to come in," said Messner.

"We do not have an independent living or assisted care facility as yet, but that is something the township is working on."

Messner said the Town Center District itself is a work in progress. "We have a master plan drawn up that would include mixed development like the senior apartments and other residential development. It would also include commercial real estate."

"Working with the Urban Design Center of Kent State University and key stakeholders, the town center is being developed with a complementary architectural look," said Messner. "Plans also include a park area and a lantern lighting district."

"My hope is to reduce taxes and create more things for residents to do that will allow them to enjoy the beauty of Brimfield," said Kostensky.

The diamond market sham

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can still give the jeweler a 100 percent profit. And those earrings at \$2,500 may have cost the jeweler only a grand. So the ring you bought 10 years ago may have cost the jeweler \$2,000 to \$2,500. Meanwhile, that \$8,200 appraisal has as much value as an Elvis on velvet. And I suspect that the jeweler probably would give you an appraisal for \$9,000 if you asked for it. The jeweler who offered you \$1,450 for the ring might wholesale the piece or list it for sale in his inventory at a significantly higher price. Be mindful that when we pilgrims purchase jewelry, we always pay retail and that when we must sell, we always sell well below wholesale.

There is no published pricing manual for diamonds as there is for, say, stamps. The phrase "a diamond is forever" is a clever campaign by De Beers, subtly discouraging you from selling your stone and encouraging you to pass it on as an heirloom. This frequently repeated mantra has succeeded in keeping many diamonds off the market. Can you imagine what would happen to the price of diamonds if just 10 percent of the public that bought diamonds decided to sell them this year? The market wouldn't be able to handle the onslaught; prices would col-

lapse; and De Beers might be out of business.

When you decide to sell your ring, take it to three different jewelers. I guarantee that you will receive three widely different prices. And don't be surprised if \$1,450 is the highest offer you get.

Please address your financial questions to Malcolm Berko, P.O. Box 8303, Largo, FL 33775, or email him at mjberko@yahoo.com.

To find out more about Malcolm Berko and read features by other Creators Syndicate writers and cartoonists, visit the Creators Syndicate website at www.creators.com.

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WE CAN SHIP FORMS

Business in Brief

News-makers in and around Northeast Ohio

Goodyear, steelworkers reach tentative agreement

FAYETTEVILLE, N.C. (AP) — The Goodyear Tire & Rubber Co. and United Steelworkers have reached a tentative agreement on workers at six plants, avoiding a strike just two hours before a deadline.

Both sides sent out statements after reaching a compromise on a new, four-year labor contract about 10 p.m. Saturday. They have been negotiating in Cincinnati since April. A strike was similarly avoided during the last round of negotiations in 2009, when an agreement was reached three hours before the previous contract expired.

About 600 union members on an overnight shift in Fayetteville were prepared to walk out at midnight, said Terry Brewington, vice president of the local union chapter.

Most of the plant's 2,500 workers are union members.

Neither Goodyear nor the union provided details of the deal. A majority of union members still must ratify the agreement.

The union says it would cover about 8,500 employees at six plants. Others are in Buffalo, N.Y.; Topeka, Kan.; Danville, Va.; Gadsden, Ala.; and Akron, Ohio.

Brewington said the pending agreement protects the Fayetteville plant from closure over the next four years.

Steelworkers have walked out twice in the plant's history. The first 17-day strike was in 1997. Goodyear steelworkers last went on strike in 2006 for three months.

The Fayetteville Observer reports that pensions were one point of contention.

Goodyear froze its pension plans for salaried employees in the United States in December 2008. Under the previous, four-year contract with United Steelworkers, hourly employees hired after August 2009 weren't eligible for pensions.

Goodyear wanted to shift all employees out of a pension system to a defined yearly contribution. Last year, the company announced it contributed \$454 million to its U.S. pension plans.

Cincinnati partners with social networking website

CINCINNATI (AP) — Cincinnati hopes to strengthen its neighborhoods by partnering with an online social networking website.

Mayor Mark Mallory recently announced the partnership with San Francisco-based Nextdoor. The Cincinnati Enquirer reports that the co-founder of the free, private website says it helps residents of more than 16,000 neighborhoods nationwide talk about neighborhood issues. Residents only have access to their neighborhood's page and can post about local events, safety and other issues.

Police and some departments under the city manager will be able to post emergency notifications and other information on individual Nextdoor sites within the city.

At least 40 of the 70 websites that Nextdoor considers part of Cincinnati have signed up.

Interim police Chief Paul Humphries says the partnership will allow police to direct crime information to the affected community.

NE Ohio racino to open in 2014 will reduce slots

AUSTINTOWN, Ohio (AP) — Owners of a \$125 million horse race-track and video slot racino near Youngstown are scaling back the number of gambling machines that will go into the facility.

Penn National Gaming said this past week that it will open with 1,000 video slots instead of 1,500 as planned.

The Vindicator in Youngstown reports that Penn National's president says they'll allow demand to determine if any machines should be added later.

Groundbreaking for the racino took place in May.

Penn National also operates casinos in Columbus and Toledo.

Ohio AG tells consumers beware of utility scams

COLUMBUS (AP) — The state's attorney general is urging Ohioans to watch out for scams involving utilities after two people reported losing about \$800 each after unsolicited phone calls.

Attorney General Mike DeWine says the caller claimed to represent a utility company and demanded payment. He says dozens of other consumers have said they've received unsolicited calls about lowering their energy rates.

DeWine says fluctuating temperatures and high bills can make it difficult for people to determine whether a call is legitimate. He is reminding consumers to make sure to check with their utility companies before giving personal information over the phone.

The attorney general's office says it has received at least 80 complaints since July 1 from Ohioans who have heard from callers claiming they can lower the consumers' natural gas rates.



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